

RESOLUTION NO. 2019-1955

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, APPROVING, AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE A JOB CREATION AGREEMENT FOR FAIRLIFE, LLC; AUTHORIZING CITY STAFF TO TAKE ACTIONS CONSISTENT WITH TERMS OF RESOLUTION AND AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Fairlife is an international manufacturer and bottler of milk beverages, with its United States corporate headquarters located in Chicago, Illinois; and

WHEREAS, Fairlife has identified the need for a regional manufacturing and bottling facility to serve Arizona and portions of the western United States; and

WHEREAS, Fairlife identified the City as its preferred location for its new regional manufacturing facility that will accommodate its immediate and long-term expansion plans and otherwise meet its business needs, and will cause to be constructed and will operate a new approximately 300,000 square foot building generally located at the northwest corner of N. Cotton Lane and W. Thomas Road in Goodyear, Arizona within the City (the “Goodyear Facility”) as more particularly described in Exhibit “1” attached hereto; and

WHEREAS, the location of the Goodyear Facility should involve the investment of at least \$200,000,000 in capital investments in Phase I through the construction of a new building of approximately 300,000 sq. ft., and tenant improvements and equipping of the Goodyear Facility; and

WHEREAS, the City recognizes that the location of Fairlife within the City with its resulting capital investment and job creation will provide a significant public benefit to the City and its citizens and that the City’s citizens will receive direct consideration from the Parties’ obligations under this Agreement; and

WHEREAS, the City recognizes that Fairlife’s operations at the Goodyear Facility will have significant economic impact on the City, including but not limited to: the quantity and quality of the jobs that will result from Fairlife’s operations; tax revenues generated by Fairlife’s operations, its employees, vendors, and service providers; increased economic activity, or multiplier effect, associated with its operations being located within the City; the qualitative value of the City having a high-profile, well-respected company locate a critical piece of its business within the City; the catalytic effect it will have on further development within the City, which will generate additional jobs and revenue within the City; and

WHEREAS, Fairlife anticipates starting operations in 2020 and over the course of five (5) years, its operations should cumulatively provide 140 full-time jobs to the City, paying each employee an annual wage of at least \$40,000, including overtime and bonuses; and

WHEREAS, the City commissioned Applied Economics to conduct an economic and fiscal impact analysis of Fairlife’s operations at the Goodyear Facility; and

WHEREAS, Applied Economics estimates the direct tax benefit to the City of Goodyear from the construction sales tax, personal property tax, and real property tax generated by Fairlife during the first five (5) years of operation will be approximately \$3.4 million; and

WHEREAS, Applied Economics estimates the total economic impacts of Fairlife's operations in Goodyear will total approximately \$817 million over the first five (5) years; and

WHEREAS, the Parties understand that the decision of Fairlife to locate in the City and purchase the property upon which the Goodyear Facility will be located is based on the City's willingness to provide assistance to Fairlife regarding plan review and permit fees;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1. The City Manager or designee is authorized to execute the Job Creation Agreement with Fairlife, LLC.

SECTION 2. The City Manager or designee is further authorized to take all actions and execute any and all documents necessary to carry out the intent of the Job Creation Agreement with Fairlife, LLC.

PASSED AND ADOPTED by the Mayor and Council of the city of Goodyear, Maricopa County, Arizona, this _____ day of _____, 20_____.

Georgia Lord, Mayor

Date: _____

ATTEST:

APPROVED AS TO FORM:

Darcie McCracken, City Clerk

Roric Massey, City Attorney

City Clerk

Exhibit I

